

EADS Snapshot on Rule of Law Index 2015

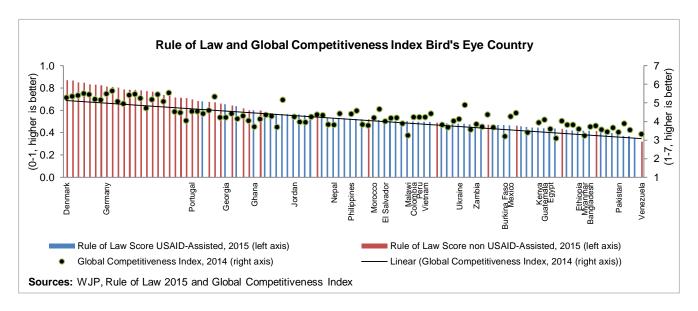
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The Economic Analysis and Data Services (EADS) team has added the annually published World Justice Project (WJP) Rule of Law Index as a new source. Its indicators measure rule of law based on the perceptions of the general public and in-country experts worldwide. The Rule of Law score is organized around eight factors: 1) constraints on government powers, 2) absence of corruption, 3) open government, 4) fundamental rights, 5) order and security, 6) regulatory enforcement, 7) civil justice, and 8) criminal justice.

The WJP Rule of Law Index 2015 report emphasizes that these factors are intended to reflect how people experience the rule of law in everyday life and can help identify its strengths and weaknesses in each country. WJP scored 102 countries from zero to one, where a higher score reflects a stronger adherence to the rule of law. 57.8 percent of the 102 countries scored higher than 0.5, while 5.9 percent received a score equal to 0.5, and the remaining 36.3 percent fell short of the 0.5 mark.

We notice in the chart below, that most countries that have received more than \$2 million in USAID assistance and are not high-income (hereinafter USAID-assisted) scored low on the overall Rule of Law score, whereas non-assisted countries have scored much higher.

According to the 2015 Rule of Law report, effective rule of law reduces corruption, combats poverty and disease, and protects people from injustices large and small. The Global Competiveness Index (GCI) score measures countries' abilities to achieve rapid economic growth. It defines competitiveness as the set of institutions, policies, and factors that determine the level of productivity of a country. Looking at the chart, GCI is positively correlated with the Rule of Law score. Countries with higher Rule of Law scores tend to be more competitive.





For the rest of this snapshot, we will only focus on 59 countries, referred to as "USAID-assisted," that received at least \$2 million in USAID assistance in fiscal year 2014 and are not considered high - income by the World Bank using GNI per capita for 2014.

Rule of Law Factors

Based on the overall Rule of Law score, Europe and Eurasia (EE) scored the highest at 0.54 (0-1, higher is better), higher than the average of upper-middle income countries (0.52). Followed by the Middle East (ME) at 0.50, which scored better than lower-middle income (0.49). Furthermore, Latin America & the Caribbean (LAC), Sub-Saharan Africa (SSA), and Asia (ASI) scored better than low income countries (0.43). None of the regions scored higher than the world average (0.57), which includes high income and non-USAID assisted countries, in the overall score.

In 2015, of the eight factors comprising the overall Rule of Law score, the criminal justice factor had the lowest score (0.39). LAC was the worst performer (0.34) among all USAID regions as it performed the same as the average of low income countries. The order and security factor received the highest average (0.67) between all eight factors, where EE received the highest score (0.76), higher than the average of upper-middle income countries (0.70).

Rule of Law Worst and Best Performers

According to Rule of Law 2015 data, Cambodia (-8.1 percent), Burkina Faso (-7.5 percent), and Lebanon (-5.8 percent) regressed the most since 2014 in Rule of Law overall score. However, Georgia (8.3 percent), Albania (7.2 percent), and Pakistan (7.2 percent) improved the most. Cambodia decreased the most in absence of corruption (-18.3 percent) and civil justice (-13.8 percent) factors.

Georgia's increase in the overall score was driven by improvement in the open government (26.8 percent) and constraints on government power (16.5 percent) factors. In the case of Pakistan, it improved the most in the open government (39.2 percent) and absence of corruption (18.2 percent) factors. Lastly, Albania's factor scores increased in criminal justice (19.9 percent) and open government (17 percent).

Open government (15 percent) and civil justice (3.7 percent) have improved the most since 2014, whereas absence of corruption (-0.6 percent) and criminal justice (0.4 percent) have made the least

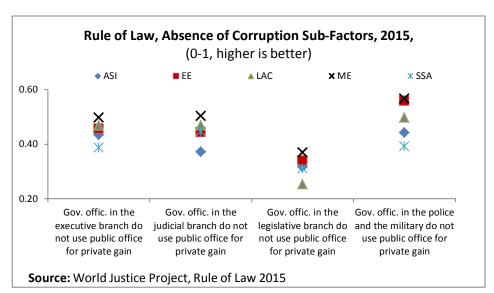
Rule of Law: Overall Score, (0-1, higher is better) - 2015										
Country	Overall Score	Income Group								
Best Performers										
Costa Rica	0.68	UMI								
Georgia	0.65	LMI								
Botswana	0.64	UMI								
Ghana	0.60	LMI								
South Africa	0.58	UMI								
Worst Performers										
Nigeria	0.41	LMI								
Pakistan	0.38	LMI								
Cambodia	0.37	LI								
Zimbabwe	0.37	LI								
Afghanistan	0.35	LI								
Source: World Justice Project, Rule of Law 2015										

progress. The snapshot focuses on analyzing the following factors: absence corruption, effective regulatory enforcement, criminal justice, and open government.



Absence of Corruption

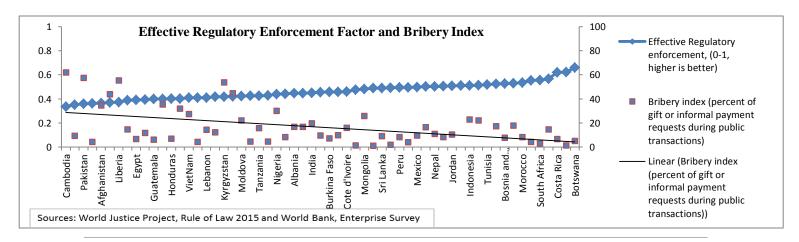
The absence of corruption factor is defined by the report as the use of public power for private gain. All USAID regions scored very low on this factor in 2015. SSA scored the lowest (0.38), followed by ASI (0.39), LAC (0.42), EE (0.45), and ME (0.48). ME is the only region that regressed (-1.1 percent) in this factor factor and LAC increased the most (4.00 percent) since 2014.



The 'government officials in the legislative branch do not use public office for private gain' sub-factor received the lowest score (0.31). Nigeria (0.09), The Dominican Republic (0.14), and Burkina Faso (0.14) performed the lowest in this sub-factor. Georgia (0.67), Ethiopia (0.60), and Morocco (0.55) scored the best. 'The Government officials in the police and the military do not use public office for private gain' sub-factor received the highest score (0.46). Bangladesh (0.2), Uganda (0.21), and Kenya (0.22) are the worst performers in 2015, whereas Georgia (0.89), Costa Rica (0.80), and Jordan (0.76) are the best performers in this sub-factor.

Effective Regulatory Enforcement

The effective regulatory enforcement factor score increased by 1.9 percent since 2014, mainly because of the improvement of timing for administrative proceedings (12.5 percent). Despite this progress, the world average (0.51) is still much better than the USAID-assisted countries (0.43) average. Burkina Faso (-17.0 percent), Uzbekistan (-8.9 percent), and Lebanon (-7.4 percent) regressed the most, whereas Sri Lanka (12.4 percent), Kazakhstan (12.3 percent), and India (11.9 percent) were the best performers.





As we notice in the chart, effective regulatory enforcement and bribery index are inversely correlated. The bribery index, included in the Enterprise Surveys published by the World Bank, is defined as the percentage of gift or informal payment requests during infrastructure, permits and licenses, and tax transactions. On average, the bribery index is 16.7 percent in USAID-countries, where Cambodia (61.8 percent), Pakistan (57.3 percent), and Liberia (55.3 percent) are the worst performers. Similarly, on the effective regulatory enforcement factor, Cambodia (0.33), Zimbabwe (0.35), and Pakistan (0.36) are the worst performers.

Criminal Justice

The World Justice Project defines an effective criminal justice system as being capable of investigating and adjudicating criminal offences effectively, impartially, and without improper influence, while ensuring that the rights of suspects and victims are protected. Mexico (26.4 percent), Albania (19.9 percent), and Nigeria (16.3 percent) improved the most in the criminal justice factor since 2014, whereas Tanzania (-17.8 percent), Pakistan (-16.2 percent), and Thailand (-15.8 percent) regressed the most.

According to Rule of Law 2015 data, the 'correctional system is effective in reducing criminal behavior' sub-factor scored 0.3, the lowest score between all Criminal Justice sub-factors. Despite the low score, it is a considerable increase (8.1 percent) from 2014. The 'Criminal system is free of improper government influence' sub-factor has regressed the most (-10.1 percent), where Ecuador (-56.5 percent), Nicaragua (-53.8 percent), and Sri Lanka's (-50.4 percent) decreased the most.

Criminal Justice Sub-factors, (0-1, higher is better)									
	Correctional system is effective in reducing criminal behavior	Criminal adjudication system is timely and effective	Criminal investigation system is effective	Criminal system is free of corruption	Criminal system is free of discrimination	Criminal system is free of improper government influence	Due process of law and rights of the accused		
2014	0.29	0.43	0.38	0.44	0.42	0.41	0.40		
2015	0.31	0.44	0.39	0.43	0.40	0.37	0.40		
Change	8.1%	1.8%	2.8%	-1.2%	-3.2%	-10.1%	1.4%		

(Note: red=regressed, blue=improved)

Open Government

The open government factor measures government openness based on the general public's experiences and perceptions worldwide. Only six out of 57 countries (Honduras and Costa Rica didn't have data for 2014) regressed since 2014 in this factor. The six are Uzbekistan (-18 percent), Botswana (-7.3 percent), Cambodia (-5.3 percent), Macedonia (-4.2 percent), Egypt (-2.7 percent), and Nicaragua (-2.2 percent).

Open government's 'Civic participation' sub-factor scored the highest (0.55), whereas the publicized laws and government data sub-factor received the lowest score (0.42). The top performers on open government for 2015 are: Costa Rica (0.68), South Africa (0.62), and Georgia (0.61). ASI scored the lowest (0.46) on the open government factor, while EE scored the highest (0.55).



Additional Information

For questions or more information, please contact the author, Georges Fadel, at gefadel@usaid.gov. World Justice Project, Rule of Law 2015: To access the entire dataset or other data sources, please visit the International Data & Economic Analysis (IDEA) at https://idea.usaid.gov/

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